

Budget Brief – Capitol Preservation Board

NUMBER CFGO-08-02

SUMMARY

The Capitol Preservation Board (CPB) manages all functions associated with Capitol Hill facilities and grounds. This includes maintenance and operations, furnishings, occupancy, public usage, and long-range master planning.

The first duty of the CPB is to manage the day-to-day operations of Capitol Hill, including the State Office Building, the Daughters of Utah Pioneers Museum, the Travel Council Building, and the White Chapel. Grounds and facility maintenance are provided through a contract with the Division of Facilities Construction and Management.

The second duty of the board is to manage the restoration of the State Capitol. The Executive Director is also the Architect of the Capitol.

ISSUES AND RECOMMENDATIONS

Capitol Hill Security

With the opening of the Capitol in January 2008, the need for additional security on the Hill has increased. The Capitol has a much improved security system of cameras and other devices, which will require additional staffing. The CPB also requests additional Highway Patrol officers on the site to police the premises. The total request is \$2.8 million ongoing FY 2009 and \$1.4 million one-time FY 2008. If the Legislature approves this request, funding would be appropriated to the Department of Public Safety with a memorandum of understanding with the CPB for a minimum level of service.

Eurest Dining Services

When the food service program began for Capitol Hill, the CPB realized the program would require a subsidy. This last year was especially difficult for the program due to poor management. The CPB had to remove the manager and replace the head chef to get the program functioning properly. Quality is improving and the program is moving forward, however, the poor performance left the program in a negative earnings position and the CPB requests \$85,000 to remedy the situation.

Prior Budget Increase Report

During the 2007 General Session the Legislature approved budget increases of \$99,500 for a public information officer, \$340,000 to set up and run Capitol gift store, \$250,000 for event costs for the Capitol reopening, \$500,000 for a Peace Officers Memorial, and \$742,200 to complete the Capitol wireless communication system.

Figure 1: Capitol Preservation Board - Budget History

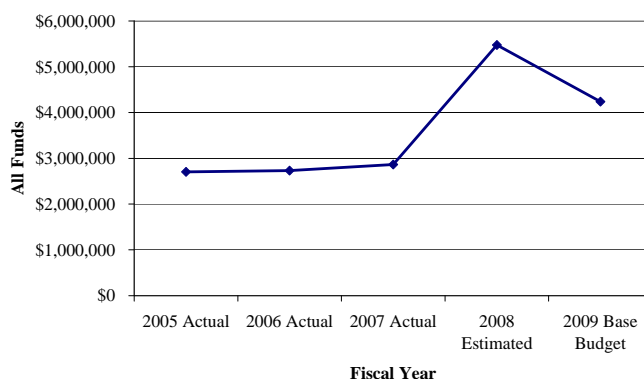


Figure 2: Capitol Preservation Board - FTE History

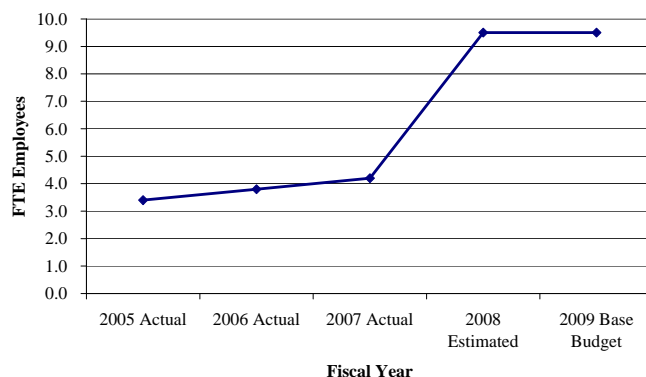
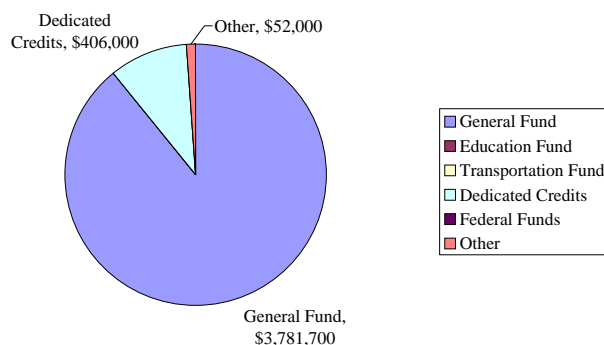


Figure 3: Capitol Preservation Board - FY 2009 Funding Mix



Curator of the Capitol

The Capitol Preservation Board currently contracts with a consultant to manage and maintain the historical objects and registration system for the Capitol building. This consultant acts as the Curator for the Capitol, though her contract is scheduled to end in FY 2008. The CPB is requesting a new part-time position to maintain and preserve the Capitol's art works, manage exhibits, and work with the visitor services director on the development of the tour information. The request is for \$80,000 ongoing General Fund in FY 2009.

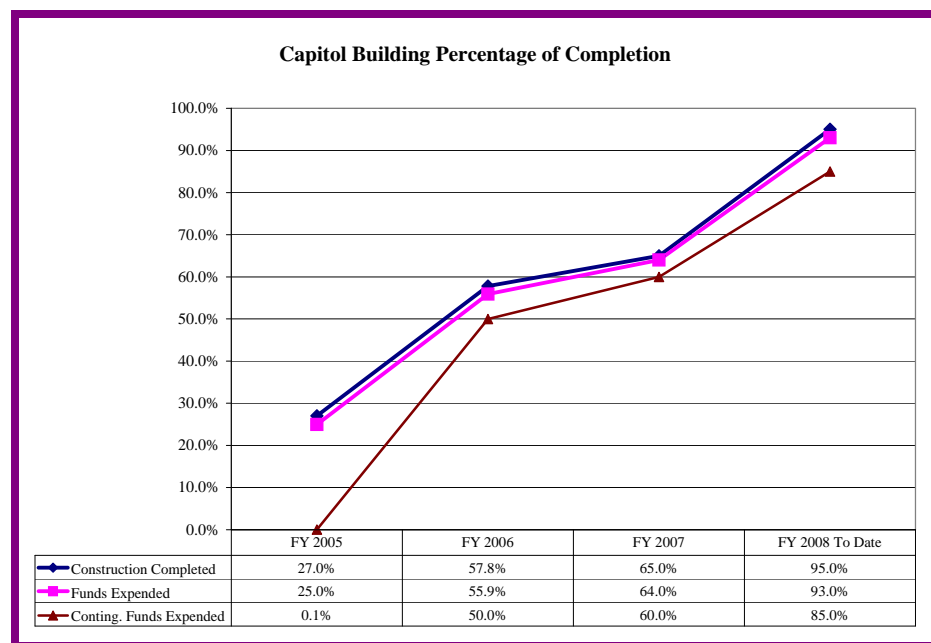
Capitol Gift Store

With the opening of the newly restored Capitol building the Capitol Preservation Board has redesigned a new Utah Capitol Store located on the first floor of the Capitol. The gift shop will cater to state-employees and public visitors by providing an assortment of educational, gift, and souvenir items. The mission of the store is to generate income to support the stewardship activities associated with the preservation of the Utah State Capitol and the upkeep of furnishings, artworks, etc. As FY 2008 is the first year of operation, the store may need several years to become fully self-sustaining and fulfill its mission. The 2007 Legislature appropriated \$240,000 in General Fund and \$100,000 of Dedicated Credits to implement the store and the Capitol Hill Visitor Services. The Analyst recommends that the Utah Capitol Store be allowed to keep its profits in FY 2008 (see intent language below) and that the Legislature appropriate an additional \$119,000 in dedicated credits in FY 2009 so that the store may collect all of the revenue generated by sales.

ACCOUNTABILITY DETAIL

Construction Project Progress

The Capitol is currently open to the public and the Legislature for the 2008 General Session. The final completion date for the Capitol is anticipated to be April 2008.



Contingency funds spent to date equate to 3.6 percent of the construction budget, a good number for a large restoration and base isolation project with many variables.

Capitol Restoration Project Appropriations Summary

The following table shows project funds appropriated to date.

Capitol Preservation Board Project Appropriations Summary			
<u>Session</u>	<u>Purpose</u>	<u>Amount</u>	<u>Funding Source</u>
1995	Remodel/Seismic Study	\$75,000	General Fund
2000	Strategic Planning	\$2,086,500	General Fund
2002	6th Extension Buildings	\$40,991,600	GO Bonds
2002	Parking Structure	\$8,000,000	GO Bonds
2003	Parking Structure	\$15,000,000	General Fund
	Subtotal Non-Capitol Bldg	<u>\$51,153,100</u>	
2002	Restoration Design/Mgt Fees	\$17,970,000	GO Bonds
2003	Capitol Restoration	\$10,000,000	\$5.8M GO Bonds + \$4.2M Trust Lands
2004	Capitol Restoration	\$50,000,000	GO Bonds
2005	Capitol Restoration	\$50,000,000	General Fund
2006	Capitol Restoration	\$50,000,000	General Fund
2006	Wireless Communications	\$590,000	General Fund
2007	Capitol Restoration	\$35,000,000	General Fund
2007	Wireless Communications	\$742,200	General Fund/ Capitol Project Fund
	Subtotal Capitol Building	<u>\$213,560,000</u>	
	Grand Total	<u>\$264,713,100</u>	

BUDGET DETAIL

During the 2006 General Session the Legislature restored \$100,000 in ongoing General Funds to this budget in order to shift administrative costs away from the Capitol restoration project budget. Funds cut during FY 2002 have now been fully restored.

Intent Language

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2008:

Under terms of UCA 63-38-8.1(3), the Legislature intends not to lapse Item 34, Chapter 1, or Item 32, Chapter 371, Laws of Utah 2007. Expenditure of these funds is limited to: the operation of the gift shop; and \$100,000 for maintenance and repairs of Capitol Hill, special upkeep of historic items, and special operational needs necessary to keep Capitol Hill functioning.

LEGISLATIVE ACTION

The Analyst recommends the Legislature consider adopting:

1. A total FY 2009 base appropriation of \$4,239,700 with \$3,781,700 from the General Fund
2. Intent language making the FY 2008 appropriation nonlapsing, but limited to uses specified in the language.
3. An additional appropriation of \$119,000 in FY 2009 of dedicated credits to allow the Utah Capitol Store to collect all of the revenue generated by sales at the store.

BUDGET DETAIL TABLE

Capitol Preservation Board						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	2,484,600	3,781,700	0	3,781,700	0	3,781,700
General Fund, One-time	89,900	1,190,000	0	1,190,000	(1,190,000)	0
Dedicated Credits Revenue	296,500	377,000	(5,900)	371,100	34,900	406,000
Transfers	65,100	0	0	0	0	0
Beginning Nonlapsing	124,900	67,200	129,200	196,400	(130,200)	66,200
Closing Nonlapsing	(196,400)	0	(66,200)	(66,200)	52,000	(14,200)
Total	\$2,864,600	\$5,415,900	\$57,100	\$5,473,000	(\$1,233,300)	\$4,239,700
Programs						
Capitol Preservation Board	2,864,600	5,415,900	57,100	5,473,000	(1,233,300)	4,239,700
Total	\$2,864,600	\$5,415,900	\$57,100	\$5,473,000	(\$1,233,300)	\$4,239,700
Categories of Expenditure						
Personal Services	254,100	613,800	(57,900)	555,900	(70,300)	485,600
In-State Travel	0	500	0	500	0	500
Current Expense	2,582,700	4,049,800	811,900	4,861,700	(1,163,000)	3,698,700
DP Current Expense	15,300	49,300	5,600	54,900	0	54,900
DP Capital Outlay	0	500,000	(500,000)	0	0	0
Capital Outlay	12,500	202,500	(202,500)	0	0	0
Total	\$2,864,600	\$5,415,900	\$57,100	\$5,473,000	(\$1,233,300)	\$4,239,700
Other Data						
Budgeted FTE	4.0	9.5	0.0	9.5	0.0	9.5
Actual FTE	4.2	0.0	0.0	0.0	0.0	0.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.